Process Name: General Ledger	**Process Identifier: GL**
Sub-Process Name: Year End Close	**Sub-Process Identifier**: GL-5

Sub-Process Purpose and Objectives:

Sub-Process Description: As the end of the fiscal year approaches, the Division of Accounts (Accounts) publishes a year end close schedule for the agencies. Accounts also rolls the chart of account elements to the future year. The agencies update the future year chart of accounts and perform month end activities. The agencies' year end activities consist of performing accruals and analyzing the system for multi-funded encumbrances and deferred revenues. The agency may also choose to cancel old year encumbrances.

Accounts also records accrual entries. Based upon letters received from the Division of Budget, Accounts updates balances and runs the "codes cannot close" process. The Agencies, Accounts, and Budget make entries as needed based on the information generated in the codes cannot close process. This cycle continues until Budget approves the financial balances. After budget approves the financial balances, Accounts runs the budgetary close process, final reports and the "merge purge process. The budgetary close process closes nominal accounts to fund balance. The "merge purge" process moves real account balances from one year to the next.

Sub-Process Trigger(s):	Key Sub-Process Participants:
• End of the fiscal year	• Division of Accounts
`	• Agencies

Inputs:

Input	Format	Volume/Time	Suppliers
Cost Center Table Changes	STARS programs/Manual Agency changes	Varies year-to-year	Accounts/Agencies

Process Name: General Ledger		**Process Identifier: GL**	
Sub-Process Name: Year End Close		**Sub-Process Identifier**: GL-5	
Encumbrance Roll/Cancel	STARS programs/Manual Agency changes	Varies year-to-year	Accounts/Agencies
Contract Changes	STARS programs/Manual Agency changes	Varies year-to-year	Accounts/Agencies
Contract Roll/Cancel	STARS programs/Manual Agency changes	Varies year-to-year	Accounts/Agencies

Outputs:

Output	Format	Volume/Time	Recipients
Reports	Electronic	35/Annual	Accounts/Agencies

Performance Measures Tracked:

Measure	Approx. Value	Target Value
Close the prior year by end of October	60 days	

Laws, Regulations, and Policies That Govern Sub-Process: TCA 4-3-1007

Current Sub-Process Issues/Problems: None

Improvement Opportunities: None

Opportunity *Merge cells to link one Opportunity to multiple impacts)*	Organizational Impacts *(Individually list and describe laws [L] regulations [R], and policies [P], as well as cultural [C] considerations for each opportunity)*	

Applications that Support the Sub-process

Application Name(s) *(Internal name and vendor's name)*	Technology Description *(Programming vendor, language, platform, database, etc.)*
Statewide Accounting and Reporting System (STARS)	STARS is KPMG's mainframe governmental accounting system. It is written in COBOL and uses an IMS database.

Process:	GL General Ledger	File:	GL Visio Diagrams.vsd
Sub-Process:	GL-5 Year End Close	Date:	11/04/02
Prepared By:	Salvaggio, Teal & Associates	Page:	1/2

Prior to June 30

Agency

- Year-End Close Schedule
- Update Chart of Accounts
- Accrue Liabilities/ Receivables
- GL-4 Month-End Close
- Analyzes System for Cancelled Multi-funded Encumbrances
- Analyze Deferred Revenue
- Make Entries as Needed

Accounts

- Approaching End of Fiscal Year
- Publish Year-End Close Schedule
- Roll Chart of Accounts
- Accruals & Other Activities
- Analyze and Adjust Balances
- Run Codes Cannot Close Process
- Make Entries as Needed
- YEC Page 2
- Yes

Budget

- Generate Transfer Letters
- Make Entries as Needed
- Budget Approved?
- No

STARS

- Chart of Accounts Copied to New Year
- Updated Chart of Accounts
- Updated Financial

Process:	GL General Ledger	File:	GL Visio Diagrams.vsd
Sub-Process:	GL-5 Year End Close	Date:	11/04/02
Prepared By:	Salvaggio, Teal & Associates	Page:	2/2

Agency

Accounts

YEC Page 1 → Run Budgetary Close → Run Final Reports → Year-End Reports → Run "Merge Purge" to move Real Account Balances → Validate "Merge Purge" to move Real Account Balances → End

Budget

STARS

Close all nominal accounts to real balances

Generate Final Reports

Real Account Balances Moved to New Year